

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
GALVESTON DIVISION**

KIP EDWARDS, ET AL.,

PLAINTIFFS.

vs.

KB HOME, ET AL.,

DEFENDANTS.

Civil Action No. 3:11-cv-00240

*Assigned to the Hon. Gregg Costa, for all purposes*

**DECLARATION OF MICHAEL BUI  
REGARDING NOTICE AND  
SETTLEMENT ADMINISTRATION**

**DECLARATION OF MICHAEL BUI**

I, **Michael Bui**, declare the following facts to be true and correct, and if called as a witness, I would testify competently to the same.

1. I am employed as a Case Manager by Simpluris, Inc. ("Simpluris"), the Claims Administrator appointed by the Court in the above-entitled action. My business address is 3176 Pullman Street, Suite 123, Costa Mesa, CA 92626. I am over eighteen (18) years of age and authorized to make this declaration on behalf of Simpluris.

2. Simpluris is a Class Action Settlement Administration company located in Costa Mesa, California. It was founded by individuals who have each managed hundreds of settlements, along with professionals in the areas of Software Development, Third-Party Claims Administration, Mail-House Operations, and Call Center Support Management.

3. On May 23, 2016 Simpluris received the Court-approved Notice of Proposed Class Action Settlement ("Notice Packet"). Simpluris prepared a draft of the final Notice for mailing to the Settlement Class Members. The mailing consisted of a 8-page Notice. Simpluris received approval from the parties and a sufficient number of the Notices were printed according to the class size. Attached hereto as Exhibit A is a copy of the Notice.

4. On May 24, 2016, Simpluris received data files from the Defense counsel to be used for the mailing ("Class List"). The Class List contained the names, last known mailing addresses, Social Security numbers, and employment information. The mailing addresses contained in the Class List were processed and updated utilizing the National Change of Address Database ("NCOA") maintained by the U.S. Postal Service. The NCOA contains requested changes of address filed with the U.S. Postal Service. In the event that any individual had filed a U.S. Postal Service change of address request, the address listed with the NCOA was utilized in connection with the mailing of the Notices.

5. On May 26, 2016 the Notice was mailed to the 291 Class Members identified on the Class List via First-Class Mail.

6. As of July 22, 2016, 9 Notice Packets were returned by the post office. For those without forwarding addresses, Simpluris attempted to find a forwarding address using Accurant,

1 a reputable research tool owned by Lexis-Nexis. Simpluris used the Class Member's name and  
2 previous address to locate a current address. Altogether, Simpluris re-mailed 10 Notice Packets  
3 to either; a new forwarding address provided by the Post Office, a newfound address using  
4 Accurant, or a forwarding address provided by the Class. Ultimately, 4 Notice Packets  
5 remained undeliverable because Simpluris was unable to find a deliverable address.

6 7. Simpluris is responsible for receiving and processing all Opt-Out Requests from  
7 the Settlement. As of July 22, 2016, Simpluris has not received any Opt-Out Requests.

8 8. As of July 22, 2016 Simpluris not received any written objections to the  
9 Settlement.

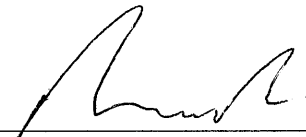
10 9. As of July 22, 2016 the total number of Settlement Class Members entitled to  
11 receive a payment from this Settlement is 291. After deducting attorneys' fees in the amount of  
12 \$1,366,535.00 and costs in the amount of \$117,500.00 to Class Counsel, an Enhancement  
13 Payment in the amount of \$25,000.00 to the Class Representatives, LWDA Payment of  
14 \$37,500.00, setting aside \$23,500.00 for the reserve fund, and Settlement Administration costs  
15 of \$12,500.00 from the \$3,416,335.00 Settlement Amount, the estimated amount available to  
16 Class Members who submit timely and valid claims (not including deductions for any taxes) is  
17 \$1,833,800.00.

18 10. The average payment is estimated to be \$6,301.71 and the highest payout is  
19 estimated to be \$32,274.34.

20 11. The total costs for the administration of this settlement, including fees incurred  
21 and future costs for completion of the settlement administration, is \$12,500.00. If an additional  
22 distribution of payments is deemed necessary, the cost is \$2,000.00 and will be deducted from  
23 the reserve fund. This amount includes printing costs and postage for mailing the notice;  
24 performing address traces on undeliverable addresses; re-mailing the notice to any new  
25 addresses obtained; maintaining a toll-free telephone line and supporting the incoming  
26 telephone inquiries; communicating with class members; calculating settlement metrics;  
27 working with Settlement Class Counsel and defense counsel; calculating each Qualified  
28 Claimant's individual Settlement Share; printing, issuing, and mailing the settlement checks;

1 and all other work necessary in connection with the complete administration of this Settlement.

2  
3 I declare under penalty of perjury under the laws of the State of California and the  
4 United States that the above is true and correct to the best of my knowledge and that this  
5 Declaration was executed on July 22, 2016, at Costa Mesa, California.

6  
7  
8   
Michael Bui

# **Exhibit A**

United States District Court for the Southern District of Texas  
Galveston Division

*Edwards, et al. v. KB Home, et al.*  
Case No. 3:11-CV-00240

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**

«BarcodeString»  
SIMID «SIMID»  
«FirstName» «LastName»  
«Address1» «Address2»  
«City» «Abbrev» «Zip»

***PLEASE READ THIS NOTICE CAREFULLY***

*A court authorized this notice. This is not a solicitation.  
This is not a lawsuit against you and you are not being sued.  
However, your legal rights are affected whether you act or not.*

**I.**

**WHO IS AFFECTED?**

If you were employed by KB Home, KB Home Sacramento Inc., KB Home Coastal Inc., KB Home South Bay Inc., KB Home Central Valley, Inc., KB Home Greater Los Angeles, Inc., or any other KB Home subsidiary or affiliated company (collectively, “KB Home”) in the State of California as an onsite salesperson with the job title of onsite sales associate, sales associate, sales counselor, sales representative or any similar title, at any time during the period of September 12, 2009, to December 31, 2015 (the “California Class Period”); YOU HAVE THE RIGHT to participate in the Settlement of a class action lawsuit and to receive your share of the Settlement proceeds.

**II.**

**THE CLASSES APPROVED BY THE COURT FOR PURPOSES OF THE SETTLEMENT**

The Court has approved two classes for purposes of the settlement. They are:

(a) California Only Class

All persons who were employed by KB Home in the State of California as an onsite salesperson with the job title of onsite sales associate, sales associate, sales counselor, sales representative or any similar title, at any time during the period of September 12, 2009, to December 31, 2015, and who have not become Plaintiffs in the matter of *Kip Edwards et al., Plaintiffs v. KB Home, Defendant*, filed in the United States District Court for the Southern District of Texas, Galveston Division, and bearing Civil Action No. 3:11-CV-00240.

(b) The California/FLSA Class:

All persons who were employed by KB Home in the State of California as an onsite salesperson with the job title of onsite sales associate, sales associate, sales counselor, sales representative or any similar title, at any time during the period of September 12, 2009, to

***Questions? Call Toll Free 888-369-3780***  
Notice of Proposed Class Action Settlement  
Page 1 of 8

December 31, 2015 and who have also become Plaintiffs (including opt-in Plaintiffs) in the matter of Kip Edwards et al., Plaintiffs v. KB Home, Defendant, filed in the United States District Court for the Southern District of Texas, Galveston Division, and bearing Civil Action No. 3:11-CV-00240.

These two classes are referred to, collectively, as the Putative California Classes.

### III.

#### WHAT IS THE PURPOSE OF THIS NOTICE?

The purpose of this Notice is to let you know that:

(1) KB Home's records show that you worked for KB Home in California as an onsite sales person for one or more weeks during the time period of September 12, 2009, through December 31, 2015, and are member of the Putative California Classes affected by the proposed Settlement.

(2) There is a proposed Settlement of a class action lawsuit entitled *Kip Edwards, et al., v. KB Home, et al.*, filed in the United States District Court for the Southern District of Texas, Galveston Division, Case No. 3:11-CV-00240 (the "*Edwards* Lawsuit"). The *Edwards* Lawsuit includes claims under federal wage and hour laws. Some people receiving this Notice are already plaintiffs in the *Edwards* Lawsuit.

(3) California state law claims, including claims of KB Home employees that are pending before the Los Angeles County Superior Court in a lawsuit entitled *Bejenaru, et al, v KB Home, et al.*, Case No., BC521236 (the "*Bejenaru* Lawsuit"), have been added to the *Edwards* Lawsuit to allow a comprehensive settlement of the existing federal claims and the claims in the *Bejenaru* Lawsuit. In addition, the Parties to the *Edwards* Lawsuit have added claims for civil penalties under the California Private Attorneys General Act (the "PAGA"). The claims in the *Bejenaru* Lawsuit and the PAGA claims, collectively, are referred to as the "California Claims."

(4) This Notice applies to the California Claims only. If you joined the *Edwards* Lawsuit as a plaintiff, or an "opt-in" plaintiff, your claims will be affected by the proposed settlement, but this Notice does not apply to your federal claims. (If you have questions about your federal claims, you should contact Plaintiffs' counsel, Rhonda Wills or John Padilla. Their contact information is provided below.)

(5) You have the right to opt-out of the Putative California Classes by sending a "Request for Exclusion" according to the instructions in this Notice. If you opt-out of this California Class Action Settlement you will not receive a payment under the Settlement for the California Claims and will not be bound by any rulings of the Court as to the California Claims. You will retain your right to pursue any California Claims you may believe you have in a separate lawsuit, with an attorney of your own choosing, and at your own expense.

(6) If you do not opt-out of this California Class Action Settlement, you will receive your proportional share of the proposed Settlement. You do not need to do anything to receive your share of the settlement. If you simply do nothing, you will receive your share of the settlement.

(7) If you do not opt-out of the Putative California Classes, you have the right to file an Objection to any term of the proposed Settlement of the California Claims and to appear in the Court at the Final Fairness Hearing to present your Objections in person or through an attorney of your own choosing and at your own expense.

### IV.

#### WHAT ARE THE CALIFORNIA CLAIMS?

The California Claims include claims that KB Home improperly classified onsite salespersons as exempt from overtime pay requirements, did not provide proper meal periods or rest breaks, did not provide proper itemized wage statements (pay stubs), did not pay all monies owed at the time of separation from employment and owes back wages, statutory penalties, civil penalties under the California Private Attorneys General Act, interest, and attorneys' fees. A Third Amended Complaint was filed in the *Edwards* Lawsuit to bring these California Claims before the United States District Court for the Southern District of Texas, Galveston Division, for purposes of the proposed Settlement.

Plaintiffs believe the California Claims have merit, that they are appropriate for class action treatment and that KB Home owes monies to the members of the California Class.

KB Home denies that the California Claims have merit, denies that California Class Members are entitled to compensation of any kind, and contends that, for any purpose other than the proposed Settlement, the California Claims are not appropriate for class action treatment.

## V.

### WHO ARE THE CALIFORNIA PLAINTIFFS?

Andrea Bejenaru and Robin Hogan (the “California Plaintiffs”) were employed by KB Home affiliated companies as onsite salespersons in various locations in California and at various times during the period September 12, 2009 to December 31, 2015 (the “Class Period”). They are also Plaintiffs in the *Bejenaru* Lawsuit. The California Plaintiffs bring the California Claims on behalf of themselves and all other similarly situated persons employed by KB Home, including KB Home Sacramento Inc., KB Home Coastal Inc., KB Home South Bay Inc., KB Home Central Valley, Inc. and KB Home Greater Los Angeles, Inc., in California as exempt onsite sales persons at any time during the Class Period.

## VI.

### WHAT IS THE STATUS OF THE *EDWARDS* LAWSUIT AND THE *BEJENARU* LAWSUIT?

The California Claims brought by the Plaintiffs against KB Home have been added to the *Edwards* Lawsuit pending in the United States District Court for the Southern District of Texas for the purposes of this proposed Settlement. KB Home and the Plaintiffs have negotiated a proposed settlement of the claims that were brought in both the *Edwards* and the *Bejenaru* Lawsuits (the proposed “Settlement”), but have now been consolidated, in order to resolve all disputes and claims in both lawsuits. The proposed Settlement was preliminarily approved by the United States District Court for the Southern District of Texas, Galveston Division (the “Court”) on May 19, 2016. On that date, the Court certified the Putative California Classes, for settlement purposes only. The Putative California Classes are composed of the people described in Section II of this Notice. The Court directed that this Notice be mailed to all members of the Putative California Classes to advise them of their rights.

This Notice is not an expression by the Court of an opinion about the merits of any claim or defense or the truth of any of the allegations made by the Parties.

## VII.

### WHAT ARE THE TERMS OF THE PROPOSED SETTLEMENT?

The following is a summary of the terms of the proposed Settlement. The specific and complete terms of the proposed Settlement are stated in the Settlement Agreement, a copy of which is on file with the Clerk of the Court.

#### A. How Much Money Will KB Home Pay?

If the Court gives final approval to the proposed Settlement, KB Home will pay a total of Three Million Four Hundred Sixteen Thousand Three Hundred Thirty-Five Dollars and NO/100 (\$3,416,335.00) (the “Gross Settlement Amount”) for all payments of any kind for resolution of the claims of the California Classes. The Gross Settlement Amount covers payments to resolve the California Claims, and the associated attorneys’ fees and costs of the attorneys representing the Plaintiffs and the Classes, the fees of the Claims Administrator, Service Payments to California Plaintiffs Bejenaru and Hogan, and an amount of money to be paid to the California Labor and Workforce Development Agency (the “LWDA”) as required when resolving claims under the California Private Attorneys’ General Act (“PAGA”). No part of the Gross Settlement Amount will revert back to KB Home. The amounts for each of these items is described in detail below.

#### B. How Is The Gross Settlement Amount Distributed?

##### 1. Allocation To Class Counsel For Fees And Costs Of The Litigation

Under the proposed Settlement, Class Counsel will ask the Court to approve a payments from the Gross Settlement Amount of (1) up to \$1,366,535.00 for their attorneys’ fees associated with the California claims, (2) up to \$117,500.00 for, Class Counsel’s costs and litigation expenses associated with the California Claims. Class Counsel’s motion supporting their request for an award of fees and costs is available for review through the office of the Clerk of the Court.

##### 2. Allocation for PAGA Civil Penalties

A total of \$50,000 is allocated to resolve PAGA claims. Seventy five percent of that amount, or \$37,500, is allocated, as required by the PAGA, to be paid to the LWDA. The remaining 25%, or \$12,500, will be distributed among members of the California Class who do not opt out and who were employed by KB Home at any time on or after December 15, 2014.

*Questions? Call Toll Free 888-369-3780*  
Notice of Proposed Class Action Settlement



**3. Allocation For Service Payments**

The proposed Settlement asks the Court to approve Service Payments to individuals who assisted Class Counsel in pursuing the Lawsuits. The amounts include: \$15,000 each to California Plaintiff Andrea Bejenaru and \$10,000 to California Plaintiff Robin Hogan.

**4. Allocation For Fees Of The Claims Administrator**

The proposed Settlement asks the Court to approve payment in the amount of approximately \$12,500.00 to Simpluris, Inc., for services in sending this Notice, checking addresses and resending returned Notices, calculating amounts owed to California Class Members, preparing and mailing settlement checks and making required reports to the Court and to Class Counsel and KB Home's counsel.

**5. What Happens If The Court Does Not Approve These Payments?**

The Parties do not seek, and the Court will not approve, amounts larger than those described in paragraphs 1 through 4, above. If the Court approves a lower amount than the requested amounts, the difference will become part of the Net Settlement Amount, to be distributed to the Class Members.

**C. What Is The "Net Settlement Amount"?**

The Net Settlement Amount (the "NSA") is the amount left after the payments in paragraphs 1 through 4 are deducted from the Gross Settlement Amount. If the amounts requested in the proposed settlement are approved by the Court, the Net Settlement Amount will be approximately \$1,822,050.00.

## **VIII.**

### **HOW MUCH WILL I RECEIVE IF THE COURT APPROVES THE SETTLEMENT?**

The Parties have agreed on a formula to determine how much each Class Member participating in the Settlement will receive. The complete formula is set out in the Settlement Agreement and is on file with the Clerk of the Court. The following information is a summary of the formula and describes the key factors used to determine how the money in the NSA is allocated.

**A. What Are The Factors Used In The Formula?**

The main factors used to determine the amount received by each member of the California Classes are:

- your average weekly compensation during the Class Period;
- the number of weeks you worked in the Class Period;
- whether you are a member of the California Only Class or the California/FLSA Class.

**B. Is There a Minimum?**

Yes, every Class Member participating in the settlement will receive a minimum of \$500.

**C. What Is The Estimated Amount I Will Receive If the Settlement Is Approved?**

How much any one person receives depends on how many members of the Putative California Classes request to be excluded from the Lawsuit. The information below has been prepared by the Claims Administrator, Simpluris, Inc., to provide you with an estimate of how much money you would receive under the formula for distribution of the Net Settlement Amount if no one files a Request For Exclusion.

The calculations made by the Claims Administrator were based on information about your compensation and number of weeks worked in the Class Period(s) provided by KB Home and based on their records. Those records show that you worked for KB Home for <MERGED\_WW> weeks during the Class Period and your average compensation during those weeks was \$<MERGED\_AVGCompensation>. Based on that information, it is estimated that you would receive at least \$<MERGED\_EstSettAmnt\_Calc> if the Court grants final approval to the proposed Settlement.

**If you believe that the number of weeks you worked in the Class Period or your average compensation as shown above are not accurate, you should contact the Claims Administrator immediately.**

**D. How Is The Settlement Money Treated For Tax Purposes?**

In general, half of Class Members' share of the NSA is treated as taxable wages and the remainder will be characterized as either penalties and interest or liquidated damages. You will receive a check for the wage portion of your settlement amount, from which taxes will be withheld. You will receive an IRS Form W-2 for the wage portion of the settlement. You will receive a second check for the other components of your settlement amount, from which no taxes will be withheld. You will receive an IRS Form 1099 for the non-wage portions of the settlement amount. You are responsible for paying all taxes on the money you receive under the Settlement, except for the amounts withheld from checks for the wage portion of the Settlement.

## IX.

### WHY DO THE PARTIES SEEK APPROVAL OF THE SETTLEMENT?

#### A. Why Do Plaintiffs And Their Attorneys Seek Approval Of The Settlement?

The California Plaintiffs and their attorneys seek approval of the Settlement because they believe the Settlement is fair, reasonable, adequate, and in the best interests of the members of the Class and all Parties. The Settlement permits Settling Class Members to receive the certainty of a payment and to receive payment sooner than if the claims were not settled, but instead were subject to the outcome of a trial.

#### B. Why Does KB Home Seek Approval Of The Settlement?

KB Home wishes to resolve all the claims in this litigation and supports the Settlement for that purpose. KB Home denies the California Claims in the Lawsuit and reserves the right to contest all California Claims if for any reason the Settlement is not ultimately approved by the Court.

## X.

### WHO ARE THE ATTORNEYS FOR THE PARTIES?

#### Counsel for Plaintiffs and the Class

Rhonda H. Wills  
Wills Law Firm, PLLC  
1776 Yorktown, Suite 570  
Houston, Texas 77056  
Telephone: (713) 528-4455

John M. Padilla  
Padilla & Rodriguez, L.L.P.  
1776 Yorktown, Suite 110  
Houston, Texas, 77056  
Telephone: (832) 740-4300

#### Counsel for the KB Home Defendants

David Jordan  
Littler Mendelson, P.C.  
1301 McKinney Street, Suite 1900  
Houston, Texas  
Telephone: (713) 951-9400

Connie L. Michaels  
Diane L. Kimberlin  
Littler Mendelson, P.C.  
2049 Century Park East, Fifth Floor  
Los Angeles, California 90067  
Telephone: (310) 553-0308

If you have questions regarding this Settlement, you may contact Class Counsel or the Claims Administrator. Do NOT contact Counsel for KB Home or KB Home's managers or supervisors. They are not able to speak to you about the proposed Settlement.

## XI.

### WHAT ARE MY OPTIONS UNDER THE SETTLEMENT?

As a Putative California Class Member you have several options. Each option has its own consequences, which you should understand before making your decision. Your rights regarding each option, and the procedure you must follow to exercise each option, are as follows:

#### A. Do Nothing And Receive A Settlement Payment: Your Rights Regarding The California Claims Will Be Determined By Whatever Action The Court Takes.

If you take no action and the Settlement become final, you will receive your share of the Settlement and your rights regarding the California Claims will be determined by the Court. If the Court does not give final approval to the Settlement the case will proceed and you will remain a member of the California Classes and your rights regarding the California Claims will be determined by whatever rulings are made by the Court.

**B. Request Exclusion From The California Class.**

If you do not want to participate in the Settlement of the California Claims and you want to retain the right to pursue any California Claims you believe you have, in a lawsuit of your own, and with an attorney of your own choice and at your own expense, you must submit a timely and valid Request For Exclusion from the California Classes. You will give up no rights, but you will NOT receive a payment under the Settlement. If you submit a Request For Exclusion from the California Class you may not file Objections to the Settlement or appear at the Final Approval Hearing.

**To submit a Request For Exclusion you must do all of the following:**

- Your Request For Exclusion must be in writing. It must state that you wish to be excluded from the California Classes in “*Edwards et al., v. KB Home*, United States District Court For The Southern District of Texas, Galveston Division, Civil Action No. 3:11-CV-00240.” Your Request must include:
  - Your full name
  - All other names you used during any time you were employed by KB Home
  - Your date of birth
  - The last four digits of your Social Security Number
  - Your telephone number
- You must sign and date your Request For Exclusion
- You must send your Request For Exclusion to the Claims Administrator at the following address

*Edwards et al. v. KB Home, Inc.*  
c/o Simpluris, Inc.  
P.O. Box 26170  
Santa Ana, CA 92799

- **Your Request For Exclusion must be postmarked on or before July 11, 2016.** If your Request is not postmarked on or before July 11, 2016 it will not be effective and you will remain a member of the California Classes.

If you request exclusion from the California Classes, the Settlement Payment that you would otherwise have been entitled to receive for the California Claims will be redistributed to the remaining Class Members. No portion of the Settlement amount will go back to KB Home as a result of a Request For Exclusion.

**C. You May Object To The Terms Of The Settlement**

If you remain in the California Classes (you do not file a Request For Exclusion) you may file an Objection to any of the terms of the Settlement that you believe are not fair. If you Object, you will continue to be a member of the California Classes. If the Court approves the Settlement you will give up the claims described in the Release of Claims (Section XII, B. I. of this Notice), and will be bound by whatever rulings the Court makes concerning the Settlement and other issues in the Lawsuits. The Court will consider all Objections at the Final Fairness Hearing.

**1. How To Object**

All Objections must be in writing and include: (a) the words “Notice of Objection,” and reference the name of the case and case number, “*Edwards et al., v. KB Home*, United States District Court For The Southern District of Texas, Galveston Division, Civil Action No. 3:11-CV-00240”; (b) your full name, address, and telephone number and the dates of your employment with KB Home; (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list the names, addresses and telephone numbers (if known) of witness(es) you may call to testify at the fairness hearing; and (e) provide true and correct copies of any exhibit(s) you intend to offer at the fairness hearing. If you wish to be heard at the Final Approval Hearing, either in person or through your own attorney, your Objection MUST state that you wish to be heard and/or to call witnesses.

**2. Where To Send Your Objection**

Your written Objection must be mailed to the Claims Administrator at the following address:

*Edwards et al. v. KB Home, Inc.*  
c/o Simpluris, Inc.  
P.O. Box 26170  
Santa Ana, CA 92799

Your written Objection must also be mailed to Class Counsel and to KB Home's Attorneys at the addresses listed in Section X of this Notice.

**3. Deadline for Objections:**

**Your Objections must be postmarked on or before July 11, 2016.** If you do not make a timely Objection, you will waive any right to object to the Settlement and will be foreclosed from making any objection to the Settlement, whether by appeal or otherwise.

**D. I Am Already A Plaintiff In The *Edwards* Lawsuit. What Does This Mean For Me?**

If you have already become a plaintiff in the *Edwards* Lawsuit asserting federal claims under the Fair Labor Standards Act ("FLSA"), you will remain a plaintiff. If you are not already a plaintiff in the *Edwards* Lawsuit, you will not be able to join that action for purposes of FLSA claims, as your time to do so has expired.

**XII.**

**WHAT CLAIMS DO I GIVE UP BY REMAINING IN THE LAWSUIT?**

**A. Binding Nature of Settlement**

If approved by the Court, the Settlement will be binding on all members of the Putative California Classes who do not make a timely Request For Exclusion and will bar all California Class Members from bringing any released claims against KB Home. Under the terms of the Settlement, California Class Members will be giving up, or "releasing," the claims described below.

**B. Release of Claims**

**1. What Claims Are Released?**

The Settlement Agreement includes the following release of claims:

The Settlement shall effect a complete settlement and release and shall extinguish, waive, fully release and forever discharge the Released Parties as to each Class Member (as defined in paragraphs 11 and 13, above) as to all claims arising from this action, from any and all claims, debts, liabilities, demands, obligations, damages, action or causes of action of any kind, whether known or unknown, which have been or could have been asserted against the Released Parties in this or the Bejenaru Lawsuit pertaining to or arising from violations of any federal, state or local wage and hour laws, including but not limited to: claims under the Fair Labor Standards Act, California state wage and hour laws, California Labor Code §§ 201, 202, 203, 226.7, 226, 510, 512, 526, 1194, 1198, Industrial Welfare Commission ("IWC") Order No. 4-2001, and the California Business and Professions Code, as well as claims under the California Private Attorneys General Act, Cal. Labor Code §2698 et seq. ("PAGA") The claims enumerated in this paragraph shall be referred to as the "Released Claims." Nothing in this Settlement shall be construed to waive any right that is not subject to waiver by private agreement, including without limitation any claims arising under state unemployment insurance or workers' compensation laws or California Labor Code section 2802.

The Settlement Agreement defines the Released Parties as follows:

The Released Parties include: (a) all of KB Home's present and former parent companies, subsidiaries, related or affiliated companies; (b) KB Home's present and former divisions, and (c) the present and former shareholders, officers, directors, employees, agents, attorneys, insurers, and successors and assigns of all of these entities; and (d) any individual or entity which could be jointly liable with KB Home.

**XIII.**

**THE FINAL APPROVAL HEARING**

The Court will hold a final approval hearing at the United States District Court For The Southern District of Texas, located at the Bob Casey Federal Courthouse, 515 Rusk Street, Houston, Texas, on September 15, 2016 at 10:00 a.m. before the Honorable Gregg Costa.

The Parties will ask the Court to give final approval to the Settlement, and to approve Class Counsel's Motion For Attorneys' Fees and Costs. It is not necessary for you to appear at this hearing.

The final approval hearing may be re-scheduled by the Court without further notice to the Class.

#### **XIV.**

##### **WHEN WILL I GET MY SETTLEMENT PAYMENT?**

If the Court does not grant final approval to the Settlement, all the Parties will be free to resume their respective legal positions as they existed before the Settlement Agreement was signed. No settlement payments will be made.

If the Court grants final approval to the Settlement, the Claims Administrator will mail settlement checks approximately seven (7) business days after the Effective Date. The Effective Date occurs after an Order of Final Approval, after the dismissal of the *Bejenaru* Lawsuit, and after 30 days have passed from the entry Court's order granting final approval, so long as no appeal is filed from that Order. If an appeal is filed, all appeals must be exhausted before the Effective Date will occur.

You are responsible to make sure the Claims Administrator has your current mailing address and telephone number. If you move or change your telephone number, please provide updated information to the Claims Administrator at the address shown in this Notice. You may contact the Claims Administrator at the toll-free number listed at the bottom of each page of this Notice to confirm it has been received.

Settlement checks will be valid for 180 days after they are issued. If you do not cash your check on time the money may be submitted to the California Industrial Relations Unclaimed Wages Fund with an identification of the participating California Class Member. Please let the Claims Administrator know right away if you lose your check.

#### **XV.**

##### **WHO CAN I CONTACT IF I HAVE QUESTIONS?**

You may contact the Claims Administrator by calling the toll-free number at the bottom of each page of this Notice, or by mail at:

*Edwards et al. v. KB Home, Inc.*  
c/o Simpluris, Inc.  
P.O. Box 26170  
Santa Ana, CA 92799  
Or call: 888-369-3780

You also may contact Class Counsel at the contact information listed above in Section X if you have any questions about the Settlement.

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT OR THE JUDGE  
DO NOT CONTACT KB HOME'S MANAGERS, SUPERVISORS, OR ATTORNEYS.**